IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE C.N.RAMACHANDRAN NAIR

TUESDAY, THE 18TH SEPTEMBER 2007 / 27TH BHADRA 1929

WP(C).No. 18575 of 2005(J)

PETITIONER:

A. THAMSON,
MANNARAKONATHU VEEDU, ANCODE,
PERUMKIDAVILA, NEYYATTINKARA TALUK.

BY ADV. SRI.SUMAN CHAKRAVARTHY

RESPONDENTS:

---

1. THE STATE OF KERALA,
REPRESENTED BY ITS SECRETARY, DEPT. OF REVENUE,
GOVT. SECRETARIAT, TRIVANDRUM.

2. THE KERALA KHADI AND
VILLAGE INDUSTRIES, REPRESENTED BY ITS SECRETARY,
TRIVANDRUM.

3. THE COMMISSIONER OF KHADI &
VILLAGE INDUSTRIES, THE STATE OFFICE OF THE
COMMISSIONER OF KHADI & VILLAGE INDUSTRIES,
M.G. ROAD, THIRUVANANTHAPURAM-01.

4. THE DEPUTY TAHSILDAR,
REVENUE RECOVERY, NEYYATTINKARA.

BY ADV. SRI.V.V.JOSHI, SC, KHADI BOARD
ADV. SHRI.C.K.GOVINDAN, GOVERNMENT PLEADER
ADV. SHRI.K.P.HARISH, SC, KHADI BOARD

THIS WRIT PETITION (CIVIL) HAVING BEEN FINALLY HEARD ON 18/09/2007, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

APPENDIX

PETITIONER'S EXHIBITS

P1 : COPY OF DEMAND NOTICE NO. D5-4145 DATED 01/04/2003.

P2 : COPY OF COMPLAINT DATED 09/11/2004.

P3 : COPY OF ORDER PASSED BY LOK ADALATH BENCH OF DISTRICT LEGAL SERVICES SOCIETY, THIRUVANANTHAPURAM DATED 09/04/2005.

P4 : COPY OF THE RECEIPT DATED 29/01/2005.

P5 : COPY OF DD NO. 105126 OF THE KERALA STATE CO-OPERATIVE BANK LIMITED DATED 19/07/05.

P6 : COPY OF REPRESENTATION FILED BY THE PETITIONER BEFORE 3RD RESPONDENT DATED 19/07/2005.

P7 : COPIES OF RECEIPTS AND DD EVIDENCING PAYMENTS.

// TRUE COPY //

PA TO JUDGE.

jg

C.N.RAMACHANDRAN NAIR, J.

WP(C) No. 18575 of 2005

Dated, this the 18th day of September, 2007

J U D G M E N T

Petitioner availed loan of Rs. 6,93,000/- from the 2nd respondent in the year 2000. On account of default, recovery proceedings are initiated. Even though there was settlement before the Lok Adalath, the same was not approved by the Khadi and Village Industries Commission, which re-finances the loan to the 2nd respondent. In any case, respondents have admitted that petitioner has paid Rs. 8,02,500/- and balance due as on 24/08/2007 is only Rs. 5,29,066/-. Learned counsel for Khadi Board submitted that penal interest and collection charges are excluded. Even though simple interest is charged for the period of default, it is seen that the interest charged is high i.e @ 17%. Having regard to the payment made, and the high rate of interest charged, this writ petition is disposed of directing respondents to settle liability if petitioner remits Rs. 5 lakhs without future interest in six equal monthly instalments and settles full liability by 31/03/2008. Petitioner will pay first instalment on or before 31/10/2007 and balance on or before last date of following five months. If payment

is made as above, respondents will treat the matter as finally settled and title deed will be released to the petitioner. Revenue recovery proceedings will be kept in abeyance for payment as above. If petitioner commits default in payment of any of the instalments, the instalment facility granted will stand automatically vacated on first default and respondents will proceed for recovering entire arrears. In that event, collection charges also can be recovered from the petitioner.

(C.N.RAMACHANDRAN NAIR, JUDGE.)

jg